

CRISP

Deliberate. Design. Deliver.



STUDY OF THE SOCIAL AUDIT
UNIT OF KARNATAKA
Suggestions for strengthening
Part - 1

Centre for Research in Schemes and
Policies (CRISP) New Delhi

Abstract -

The Centre for Research in Schemes and Policies (CRISP) is in association with Government of Karnataka in improving delivery of the social sector initiatives, especially those implemented through the Panchayat Raj system.

Social Audit Directorate Karnataka has requested Centre for Research in Schemes and Programmes (CRISP) to conduct a study of the structures and processes being adopted by the Directorate, and make suggestions on matters of structure, processes and policy etc, to improve the effectiveness of the Social Audit in the State and to achieve compliance to the Social Audit Standards.

Accordingly, CRISP has undertaken a study of the existing structure, policies and processes as well as the current standard of compliance with the Social Audit Standards, while looking at the best practices being implemented in Telangana, Bihar and Jharkhand, to put together a set of suggestions and recommendations that could be implemented by the Social Audit Directorate of Karnataka.

This is the first part of the recommendations. There will be a further report focusing on the field level processes for preserving the activity of the social audit process.

1. Background

The MGNREGS Society for Social Audit of Karnataka, also referred to as the Social Audit Directorate, Karnataka was set up and registered in the year 2012, under the Societies Registration Act Karnataka, 1960, as has been mandated under Section 17 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005.

The Society has completed 11 years and has been facilitating social audits of the MGNREGS and other social welfare schemes such as Mid-Day Meals, SCSP/TSP, ODF, NSAP, NFSA and the 14/15 Finance Commission, based on the requests made by the respective departments. Each Department funds the social audit exercise of their schemes.

The Society has an independent Director and is governed by a Governing Body headed by the Additional Chief Secretary and Development Commissioner of Karnataka. It also consists of the Principal Secretary, Department of Rural Development and Panchayat Raj (RDPR); the Principal Accountant General (G&SSA) in Karnataka; Commissioner, Rural Development; Commissioner, Rural Drinking Water Supply and Sanitation; one representative who is involved in MGNREGA/Social Audit activity; two representatives who are involved in welfare of NREGA labour association/society; one social worker; two representatives from educational/research institutes besides other members and the Director, Social Audit who is the Member Secretary.

The Society also has an Executive Committee, headed by the Additional Chief Secretary, Rural Development and Panchayati Raj. The GB and the EC are chaired by different officials. Earlier the GB was headed by the Principal Secretary, RDPR, but the bye-laws of the Society were subsequently amended and the ACS & Development Commissioner was made the Chairperson of the GB in adherence with the Auditing Standards.

While the emphasis on social audits by the Ministry of Rural Development as part of the MGNREGS has been there since 2010, in the last couple of years the Ministry has been stringently linking the SAU structure, social audit findings and subsequent follow up action to the fund release to the State. In every Performance Review Committee Meeting and Empowered Committee Meeting, compliance reports and adherence to the Auditing Standards, with an emphasis on the structure of the SAU, staffing, findings and follow up, including recovery and disciplinary action is being sought from the States. In this scenario, it is important to ensure that the SAU complies with the Auditing Standards, 2017, which all SAUs are mandated to follow.

2. Observations of the C&AG:

The PAG, Karnataka, carried out an Annual Technical Inspection of Panchayat Raj Institutions and Urban Local Bodies for the year ended March 2019. The Audit attempted to assess the effectiveness of Social Audit with reference to the Act, Rules, Guidelines, Standards and Master Circulars. Also 80 GPs covering eight districts were selected, where Social Audit was stated to have been conducted during 2016-17 to 2017-18, using simple random sampling without replacement method besides examining the records of the Directorate of Social Audit.

In the report submitted by the Audit team to the Department of Rural Development subsequent to the inspection certain areas of concern were raised in the functioning of the SAU. The findings were broadly regarding the –

A. Constitution and composition of Social Audit Unit - The Governing Body was required to meet at least once every quarter. Audit observed that the Governing Body met only three times during the period 2016-17 to 2018-19 as against 12 meetings. The last meeting was held during May 2017 and thereafter no meetings were held for more than two years. Thus, there was lack of required monitoring at the apex level.

B. SAU personnel - The SAU is strained with shortage of SRPs/DRPs/TRPs to the extent of 50, 53 and 65 *per cent* respectively, thereby overburdening the available staff. The State Government failed to appoint the SDP/SRPs/DRPs despite the assured special financial assistance by MoRD over and above the regular allocation for recruitment of these personnel.

C. Status of Social Audit of Schemes- Planning and execution of Social Audit of MGNREGS covering the aspects related to the preparation of the calendar for social audit, awareness on social audit, social audit by gram sabha, status of compliance etc.

- a. The calendar for Social Audit in each district was being prepared by the respective DPCs and forwarded to SAU for approval.
- b. SAGS was not conducted as per the approved calendar in 11 instances under eight GPs during 2016-17 and 2017-18, for which recorded reasons were not forthcoming from the files produced to audit.
- c. The IEC activities creating awareness of Social Audit was rendered ineffective and inadequate as the SAGS meetings were attended by

less than one *per cent* of the population in more than 99 *per cent* of meetings. The absence of the rural population from the process of Social Audit defeated the objective of the envisaged accountability and transparency.

- d. The non-compliance to the stipulations prescribed for process of Social Audit thus defeated the very objective of ensuring transparency and accountability.

D. Follow up action on social audit observations:

GP, Block, District and State level, including conduct of monthly review meetings and status of recovery –

- a. Audit observed that neither the POs nor DPCs had arranged for public hearing at taluk/district headquarters. Even the SAU had not insisted the POs/DPCs to scrupulously follow the prescribed procedure. Absence of the public hearing at block level after conduct of Social Audit to discuss the follow-up action and lack of monitoring of action taken on Social Audit at district level was against the objective of transparency and accountability of the Social Audit process.
- b. Recovery effected was less than one *per cent* indicating lack of efforts of the authorities concerned and absence of monitoring by the Governing Body and the State Government.
- c. Audit also observed that, instead of crediting the recoveries effected based on the SARs in a separate bank account at district level, the DPCs forwarded the same to State level for credit into State Employment Guarantee Fund (SEGF) and thus, disregarded the norms prescribed. As recoveries were directly forwarded to SEGF by the district authorities, the Director, SAU did not possess the comprehensive data on the actual recoveries and its remittances.
- d. There was lack of monitoring by the State Government as evident from the extent of recovery effected and absence of periodical meetings of the Governing Body. The SEGC at the State level had not monitored the action taken by the State Governments on SARs and ATR was not incorporated in the Annual Report to be laid before the State Legislature. In fact, the SEGC had met only once on 23 July 2016 during the audit period. This indicated poor monitoring of action taken on SARs at State level.
- e. In accordance with the Master circulars issued every year by MoRD, the Additional Chief Secretary/ Principal Secretary/ Secretary, RDPR shall conduct a monthly review of Social Audit wherein irregularities identified in the SARs and status of progress on action taken by the implementing agencies on redressing the same shall be reviewed.

However, the monthly reviews of SARs were not conducted in the State.

- f. As per the Master Circulars, the State SAUs are required to submit Quarterly Reports to the Principal Accountant Generals of the States in a prescribed format that has to be adhered strictly. The format includes information on the Status of Social Audit Unit and its functionaries, the expenditure incurred by the Social Audit Unit in the reporting quarter and the status of the schedule and conduct of the social audits as per Calendar in the reporting quarter. Audit observed that no such quarterly reports were submitted by the SAU to the Principal Accountant General during the period 2016-19.

E. MIS –

The MoRD had developed a workflow based, web enabled application known as NREGASoft, which is hosted at the portal accessible as <http://nrega.nic.in>. The NREGASoft provides for recording of all transaction details of different processes in implementation of MNREGA and putting the same in public domain. One such module (R9) pertains to Social Audit. Audit reviewed the status of data entry in different sub-modules of Social Audit module and observed certain deficiencies.

Verification of SARs available in the MIS revealed the following deficiencies:

- Date of SAGS was mentioned as 'Date of Block level Public hearing' invariably in all the SARs, though public hearing was not conducted
- Discrepancies were noticed in exhibition of data on expenditure towards labour, wages and the corresponding records made available by implementing agency to social audit team
- Discrepancy in total number of works taken up under the GP and works actually verified
- Incorrect data on actual attendance in SAGS
- Photographs of SAGS were not uploaded in respect of any GPs
- Qualitative reports on the implementation of scheme in GPs were not recorded in respect of any GPs
- Incorrect classification of irregularities
- Improper data in respect of 'GP check-list' against issues like wage slips, conducting rozgar divas monthly, maintenance of required registers, citizen information boards in individual/community works, wall painting for wages paid to labourers, engagement of mates and their training, appointment

of panchayat level officer exclusively for MNREGS and training provided to them, etc.

The deficiencies identified could be attributed to the absence of technical person to oversee the Management Information System (MIS). The guidelines provided for recruitment of MIS technical person, which was lying vacant in the State since inception of SAU. Consequently, there was absence of authentication and validation of data being uploaded into the module.

F. Financial Management and financial independence of the SAU –

The Auditing standards/Master circulars stipulated maintenance of independent bank account by SAU for its financial transactions under the scheme.

Further, the SAU was authorised to make payments directly into the back accounts of its Resource Persons at the State, District, Block and Village Level. Payments to Social Audit Unit Resource Persons, at any level, shall not be dependent on gaining approvals from representatives of the implementing agencies.

Audit observed that the Financial Advisor of the RDPR department was the joint signatory for all financial transactions of the SAU in the State.

Audit, observed that though SAU prepared the budget proposals, the same was not submitted to the Governing Body for approval during the years 2016-17 and 2018-19. While no reasons were forthcoming for non-submission during 2016-17, the non-submission during 2018-19 could be attributed to the fact that the Governing Body had not met for more than two years.

The absence of periodic scheme-wise reconciliation of receipts and expenditure resulted in mismanagement of funds. Further, the SAU had not submitted Utilisation Certificates to the other departments for use of funds.

In accordance with the Auditing Standards, the accounts of the SAU was required to be audited, annually, by CA firm selected from a panel maintained by CAG of India. A certified copy of the audited accounts was required to be submitted by the Director, SAU to the Governing Body for its acceptance. After acceptance of the certified accounts, the same was to be forwarded to the State Government for further submission to the Central Government. Further, the CA firm was to be changed every three years.

Audit observed that the SAU engaged the same CA firm since 2012-13 for audit of its accounts. This was against the above stipulations and was fraught with the risk of manipulation of accounts.

G. **Welfare Measures for the Staff –**

The resource personnel working for SAU were not entitled for any social security measures like Provident Fund (PF), Employees Insurance Scheme (ESI) etc., apart from monthly remuneration. This acts as a deterrent in discharging their duties which involve verification of cash books, muster rolls and other financial records, visiting work spots, creating awareness on Social Audit, door-to-door visits etc. The Governing Body decided (May 2017) to provide the facility of PF, ESI and medical relief in case of accidents (maximum of `15,000). It was also decided to provide a financial assistance of `2 lakh in case of death while on duty, after obtaining the approval of Principal Secretary of RDPR.

Audit observed that none of the social security measures, except medical relief in case of accident was implemented in the SAU.

The concluding observation of the PAG in their report was that **“Non-compliance to the stipulations prescribed for conduct of Social Audit, very low participation of villagers in the Gram Sabhas, absence of monitoring at various levels and lack of follow-up on the findings of Social Audit rendered the process of Social Audit ineffective.”**

3. Observations made by the NIRDPR in their report Status of Social Audits 2021 –

Areas of Concern

- 1) Director, SAU does not have independence in spending sanctioned budget. The allocation for social audit should be directly transferred to the SAU account.
- 2) The governing body and the executive committee has MGNREGS implementation officials which is a conflict of interest and is against the provisions in the MGNREG Audit of Scheme Rules.
- 3) Governing Body has not met even once in 2019-20 and 2020-21
- 4) Delay in receiving funds has affected the social audit – employees have not been paid for many months.
- 5) Social audit process in a GP is not led by a trained BRP (BRPs manage social audit in multiple villages at the same time)
- 6) Many VRPs have completed the 4 day training course. Many BRPs have not completed the 30 day certificate course on social audit.

- 7) ATR is not being submitted by implementing agencies.
- 8) SAU does not have its own website.
- 9) Some GPs have not provided records to social audit teams.
- 10) SAU does not send quarterly report in MoRD specified format to PAG.
- 11) Implementation agencies are not responding to social audit findings in the NREGASoft MIS

Recommendations mentioned in the report -

- 1) Civil Society representatives should be nominated to the Governing Council and the Governing council should meet often.
- 2) The SAU needs to be independent of the implementation agency – For this, the EC committee should be reconstituted to not have any of the implementation officers (like Commissioner, MGNREGS) of the programmes that the SAU audits. The Financial Advisor of RDPR should not be the joint signatory of the SAU account. It can be some other person in the SAU.
- 3) State government should ensure that the line departments give cooperation for social audits – give records on time, attend the gram sabha and take appropriate action on the social audit findings. State government should transfer the money to the SAU within 15 days of receiving it from MoRD.
- 4) The State should hold Block level Public Hearings as specified in the Act.
- 5) An independent website should be created.

Other recommendations -

- ✓ Strict directions have to be given to implementing agency to submit ATR.
- ✓ Strict directions has to be given to other line departments, to provide their documents for social audit and show their works for social audit.
- ✓ IEC activity should be the part of social audit. So IEC wing should come under the Social Audit Unit.

4. Reference to CRISP

In this background, Government of Karnataka has requested the Centre for Research in Schemes and Policies (CRISP) to evaluate the structure and functioning of the SAU and give recommendations for its improvement.

CRISP has sought the services of reputed social audit specialists Ms Sowmya Kidambi Director Telangana Social Audit and Accountability Society (TSSAAT) and Ms Rakshita Swamy, Director of SAFAR to assist in conducting the

evaluation study under the overall guidance of Sri SM Vijayanand IAS (rtd) former Secretary to Government of India.

The team had followed the following methodology to conduct the study:

- a) Examination of the records and processes followed by the SAU
- b) Assessment of the workload and staffing structure
- c) Study of best practices elsewhere in the Country
- d) Detailed discussions with the Director SAU and other stakeholders.

The following are the **observations of this study**:

1. **Substantial work has been done** to streamline processes of social audit by the current Director, which will have a major impact on the quality⁸ of the social audits in future.
2. Though action has been initiated on the observations of the C&AG and the NIRD reports, the **effectiveness of this is limited by the current organisational strength**.
3. There can be much **learning from other States** which have stabilised the processes and the follow-up action systems.
4. The **processes at the filed level can be fine-tuned** to preserve the sanctity of the social audits

Based on a thorough study, CRISP felt that the recommendations should be divided into two parts:

Part 1: Recommendations for strengthening of the organisation (urgent nature)

Part 2: Recommendations for strengthening the processes in the field (long-term)

This is the first part of the recommendations for strengthening the organisation. The Second part of the recommendations will be brought out after conducting Test Audits in the field.

5. Recommendations of CRISP for strengthening the SAU

The effectiveness of the SA depends on who is conducting the social audits, whether they have received all the records, how well are they trained, and when it is conducted.

1. **Who conducts the social audit**: Currently the SA exercise is conducted by the Village Resource Persons (VRPs). It must be ensured that:
 - a. VRPs are not permanent (or even contract) employees of the SAU, but youth selected from among the educated MGREGS workers.
 - b. No VRP shall be allocated to her own village for social audit.

- c. Allocation of VRPs shall be done in a randomised manner such that no two VRPs from the same village go for social audit in a same village.
2. **Access to the Records:** The VRP team should have complete and full access to the relevant official records. The process for handing over the records shall be clear, with specific punishments for not handing over the records to the SA team.
3. **Training of the SA team:** The VRPs shall be trained in reading and understanding the official records. This should also involve field level operations like taking measurements, assessing the value of work etc.
4. **Code of conduct for the SA team:** There should be a code of conduct for the SA team when they live in the village. It should inspire confidence and demonstrate high degree of impartiality.
5. **Monitoring the social process:** As the social audits are being conducted, the DRPs and SRPs should monitor the processes and ensure that the processes are not compromised at any level. There should be strict instructions to the Resource Persons to report any dilution of process immediately to the Director.
6. **Participation of the beneficiaries:** The purpose of social audit cannot be served unless the beneficiaries for whom the scheme has been designed participate in the process. A thumb rule for a good social audit is participation of at least 25% of the workers who worked in the scheme. The training of the SA team shall contain the strategies for mobilisation of the beneficiaries to participate in the exercise.
7. **Strengthening the organisational structure:** All this would require that the existing organisational structure is strengthened to conduct the social audit process effectively. The current structure of the SAU is grossly inadequate to ensure an effective social process. It is therefore recommended to:
 - a. Equip the SAU with the following positions which are critical viz: Deputy Director (Admin), Accounts Officer, Accounts Assistant, Assistant Program coordinator (TRP rank), Young Professionals, HR manager, HR assistant, Admin Manager, Admin Assistant, System/Data base head (IT), Prog. Manager (IT)- developer, Assistant network executive (IT) and Regional Program Coordinator. The **Annexure 1** gives the Old and the recommended organizational structure.
 - b. Re-formulate the recruitment process to be followed by the SAU for each post detailing the qualification, experience, and remuneration – as given in **Annexure 2**.

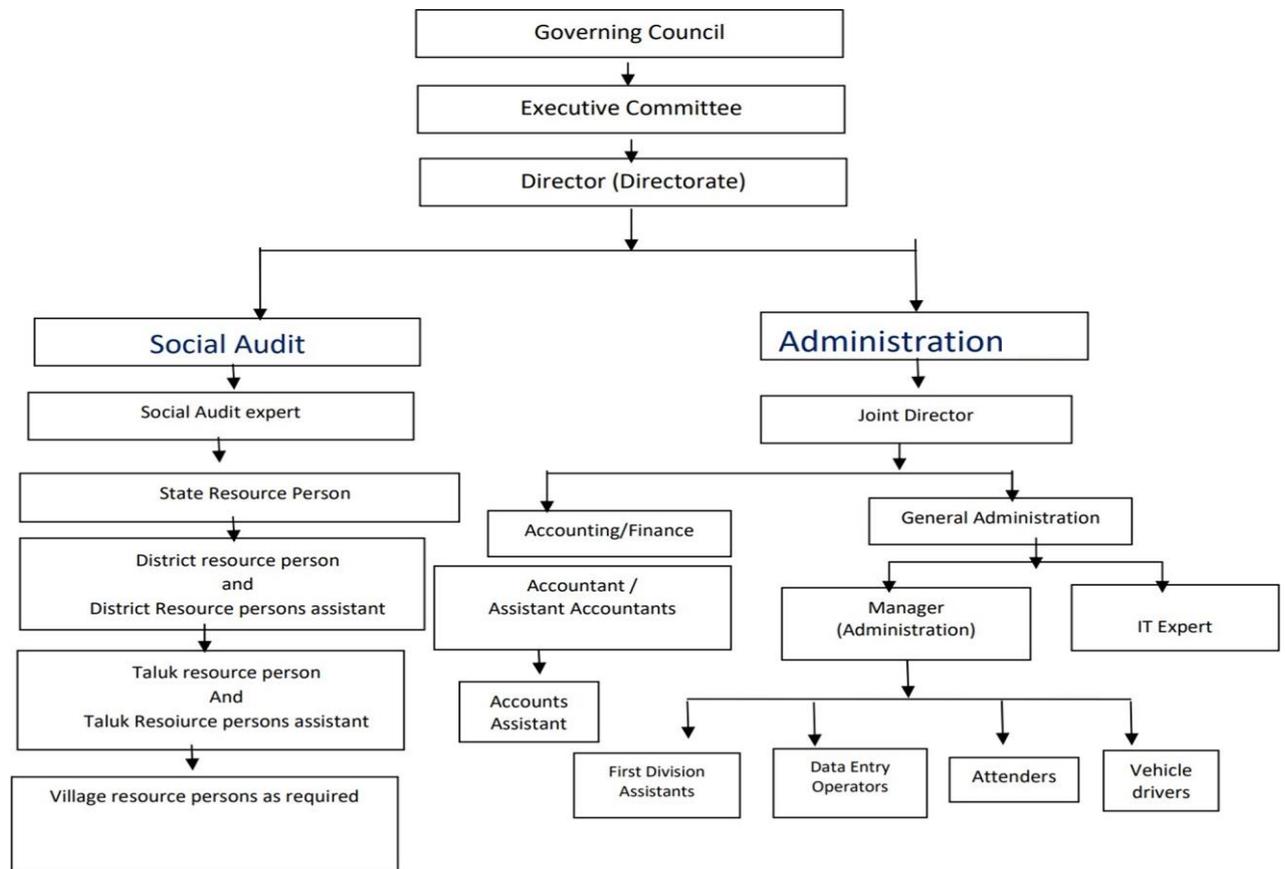
- c. Re-drafting the existing contracts and putting into place a mechanism to issue contracts on a yearly basis along with a performance appraisal mechanism as given in **Annexure 3**.
- d. HR Policy – The current HR Policy needs to incorporate and address the issues related to leave, ex-gratia, code of conduct and disciplinary processes. The draft in **Annexure – 4** can be adopted for this purpose.
- e. Creation of a Sr.VRP base to be able to support the social audit team in the field due to high workload, details of which are in **Annexure-5**.

The Bye – Laws of the Society may be modified duly incorporating the changes that are being proposed.

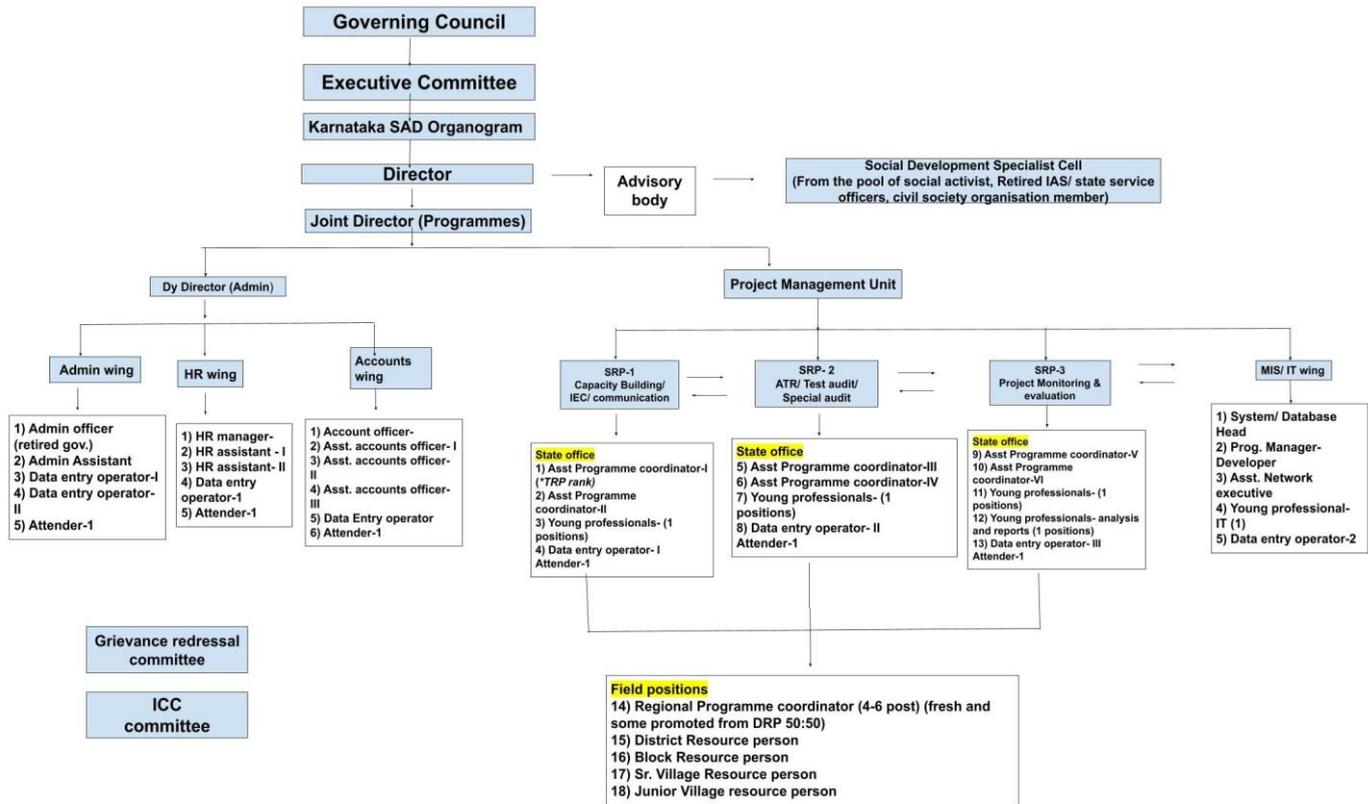
The ultimate test for the maturity of the social audit process is whether the people are educated and empowered enough to conduct the social audit themselves or not. The people-led process shall be disciplined, well-informed and impartial. This would of course require constant educating and empowering the youth so that they would be in position to access the records themselves and raise all relevant questions without fear.

Hopefully this could be a step in that right direction.

Existing Organisational Chart



New Organisational Chart



(1) Procedure for recruitment

1.1 Issue of Notification

- (a) Notification is issued for the required cadre and posts as per vacancy position with due mention of eligibility criteria viz., age, education details, experience etc.,
- (b) Notification is placed on KSAD website along with other mode of communication such as one kannada and one english newspaper, social media page, panchyat notice board for 21 days.
- (c) Applications are received through online mode and application format is prepared and placed on website along with a notification

Gist of Eligibility criteria of cadre proposed for recruitment is detailed (As described in HR policy)

Sl. No.	Particulars	Block Resource person	District Resource person	SRP	Ass. Programme Co-Ordinator	Data entry operator
1	Age					
2	Qualification					
3	Eligibility					

1.2 Scrutiny of Applications and shortlisting of Candidates for written examination

- (a) A Committee is constituted for scrutiny of applications.
- (b) After receipt of applications from Scrutiny committee, hall tickets are issued to the eligible candidates duly mentioning date, time and venue of written examination through KSAD Website, social media page and panchayat notice board.

4.3 Conduct of written examination

- (a) Question papers are prepared by the technical expert committee and written examination is conducted to all the eligible candidates at scheduled date, time and venue.

4.4 Valuation of papers

- (a) Experts are identified from NIRD/CRD etc., for valuation of papers
- (b) The Answer scripts are sent to the valutors/experts for valuation

4.5 Short list of candidates for interview

- (a) Merit list is prepared based on the valuation and the shortlisted candidates are called for an interview at the ratio of 1:2
- (b) Interview is conducted by the Expert Panel identified for this purpose.
- (c) In interview candidate is tested/assessed for following

<u>No.</u>	<u>Skills Particulars</u>	<u>Weightage</u>
1.	Subject matter-	30%
2.	Communication skill-	20%
3.	Approach-	20%
4.	Confidence skills-	20%
5.	Comprehension abilities-	10%

4.6 Issue of Appointment orders to the selected candidates:

- (a) Appointment orders are issued to the selected candidates.
- (b) Candidates are given 15 days joining time from the date of receipt of orders
- (c) Appointment orders are deemed to be cancelled in case of non-reporting to the post within the stipulated time.

4.7 Issue of Contract

- (a) Induction training is imparted to all the reported candidates.
- (b) Performance of the candidates is monitored for two Social Audits as part of field training
- (c) Based on the performance during two Social Audits as part of field training, the contract is issued on a yearly basis.
- (d) The agreement is executed between Society and Candidate with all terms and conditions.

(e) Based on the performance assessment, a candidate may be considered for issue of fresh contract issued.

ANNEXURE
AGREEMENT FOR FIXED TENURE EMPLOYMENT
«Designation»

Whereas, the Karnataka Social Audit Society herein referred as (Karnataka MGNREGS Social Audit Society) is a Society registered under the provisions of the Karnataka Societies Registration Act 1960, vide Registration No. DRB/C/SOR/39/2012-13, having a Registered Office at <<Registered Address of the Society>>.

Whereas, the main objectives of the said Society are as follows:

- To work towards strengthening and deepening the Social Audit processes in the State so that Social Audits become an integral part of the governance process in the State.
- The Karnataka Social Audit Society (___) shall ensure that the autonomy and impartiality of the social audit process is maintained by all stakeholders.
- To create an enabling environment for the conduct of impartial and objective Social Audits in Karnataka.
- To be responsible for Social Audits of the NREGA and other Government programmes/ schemes benefitting the poor in Karnataka
- To build grassroots capacity (both civil society and citizens) to conduct Social Audits for Government programmes.
- To create a resource base for conducting Social Audits as well as to evolve processes to conduct Social Audit for other Government programmes.

Whereas, for the purpose of achieving its objectives, KSAS requires to position personnel to carry out its processes and other allied activities.

Whereas, the KSAS has selected **Mr./Ms. «Emp_Name»** through a standard selection process to engage his/her services as «Designation» on a **Fixed Tenure basis** for a period of **One Year** as per the terms and conditions detailed in this agreement. In this agreement herein after **Mr./Ms. «Emp_Name»** S/D/W/o Sri **«Father_Name»** will be referred as Fixed Tenure Employee herein referred FTE.

This agreement between KSAS, represented by its **Director** and **Mr/ Ms «Emp_Name»** is signed on **«Date»**

The Director (KSAS) will be the Reporting Officer of the FTE. The Director, KSAS may in turn designate / authorize other KSAS staff such as the State Team Monitors (will hereinafter be referred as SRP) as Reporting Officers of the FTE

The terms and conditions as detailed in this Agreement are binding on KSAS and on Mr./Ms. **«Emp_Name»** conclusively. It is mutually agreed upon between these parties that any inferences and interpretations other than those mentioned hereunder are null and void.

The agreement shall remain in force from the date of appointment i.e., **«Date»** and expires on **«Date»**. The tenure under this agreement shall be in force, in between, and including, these two dates.

Employee Signature
Name: **«Emp_Name»**

SRP/District In-charge Signature
Name:

Now this Fixed Tenure Employment witness as follows:

TERMS AND CONDITIONS FOR FIXED TENURE EMPLOYMENT of Mr./ Ms. «Emp_Name»

1. **DESIGNATION:** The FTE will be designated as «Designation». The FTE is required to perform the responsibilities detailed in Annexure 1. Further, he/she may also be assigned other responsibilities as may be required by the organization without any prejudice to the regular responsibilities (as per the job chart in Annex 1), and terms and conditions detailed in this agreement.
2. **PLACE OF POSTING:** The FTE is posted in «Dist name» District/ Zone or at such other places from time to time directed by the Reporting Officer. He/she is required to report to the «Designation» in «Dist» District/Zone and the State Resource person (SRP) at the State level and discharge his/her duties to the satisfaction of the Reporting officer. This place of work is decided purely depending on the project and organizational requirements. The FTE is liable to work at such place/places which are assigned to her/him as decided by the KSAD. The Director- KSAD can allocate any place to field resource person(s) to deliver his/her duties defined in the job chart to meet the organisational need.
3. **PERFORMANCE APPRAISAL:** During the tenure, the job performance, general conduct and behaviour of the FTE will be assessed periodically. His/ Her continuation during the tenure is subject to the condition that he/ she achieves the quarterly and annual targets and his/her performance, general conduct and behaviour is up to the satisfaction of the Reporting Officer, failing which, at any period of the tenure, his/her services will be terminated with 15 days' notice.
4. **TERMINATION OF SERVICES:** Either party may terminate the tenure by giving 15 days' notice without assigning any reason thereof. However, in the case of the candidate desiring to leave the engagement, upon the approval of KSAS the FTE is liable and bound to complete the current assignments to the satisfaction of the Reporting Officer within the notice period.
5. **CODE OF CONDUCT:** The FTE will act / function with professionalism, utmost care, skill, diligence, honesty, good faith, transparency and integrity as well as high moral and ethical standards. The FTE is also liable to compensate any losses sustained by KSAS on account of his/her actions or omissions.
6. **BREACH OF AGREEMENT:** The Omissions and Commissions on the part of FTE including the following will be construed as breach of agreement and make the FTE liable for termination without any notice
 - a) If any declaration or information furnished by him/her proves to be false or wilfully suppressed.
 - b) Continuous absence of one week without valid reasons and prior sanction from the Reporting Officer.
 - c) Holding any positions or jobs or engaging in other businesses or interests that are prejudicial to the interests of the organization.
 - d) Indulging in financial irregularities and misusing the positional powers for personal benefits.
 - e) Demand for any kind of favours i.e., money, power, sexual and any other thing perceived as a favour due to his/her position/capacity.
 - f) Consumption of intoxicants while on duty.
 - g) If the FTE is found to be neglecting or not attending to any of the activities in his/her job chart and it is reported by his/her immediate reporting authority, it will be the ground for immediate termination of the Agreement following due process.

Employee Signature
Name: «Emp_Name»

SRP/District In-charge Signature
Name:

h) If any evidence is found during test audits of not having done his/her job properly. That will be considered a ground for termination

7. DISCLOSURE: KSAS is mandated to facilitate impartial, free and fair Social Audits of Welfare schemes meant for the poor without any bias. Therefore, it is extremely critical to ensure that the Resource persons as well as Field/Office staff do not have any immediate relative/family member who is either a political representative or connected with the implementing agency of the schemes. In future if Resource persons as well as Field/Office staff any immediate relative/family member joins as in either a political representative or connected with the implementing agency of the schemes, the same fact must be informed to the O/o KSAS immediately.

The FTE must sign a declaration for the above as in Annexure 2 and in Bio Data. If this declaration is found to be false and such information is wilfully suppressed, then this will be considered reason enough for termination of the Agreement between KSAS & the FTE and to initiate appropriate action wherever necessary.

8. ON TENURE COMPLETION: Upon completion/termination of tenure or otherwise when required, the FTE will hand over all articles/ books of accounts/documents/assets entrusted to him/her or come into his/her possession during the period of tenure, to the Reporting Officer and will obtain a Clearance certificate for the same forthwith. In default, he is liable for consequences, besides compensating the same.

9. The FTE will compulsorily abide by the rules and regulations laid down from time-to-time by KSAS, the service provider as well as by the officials of the reporting unit.

10. The FTE will not have any right/claim or preference for regular employment in this Organization, and he/she undertakes not to make any such claims at any point of time either against the service provider or against the unit in which he works. It is made clear that, the FTE cannot claim any right to be treated, as a Government Servant, or be absorbed in Government Service at any future point of time.

11. This agreement and the ensuing employment are limited for the tenure specified and mutually agreed herein, and the employment shall cease to be in force immediately on the completion of the tenure, and there shall be no claim for a renewal by the FTE. In case the services of the FTE are required beyond the tenure of this contract, it shall be possible only by way of a new contract between the parties.

12. The TA rules, The Leave Rules, Code of Conduct and Disciplinary rules of KSAD will apply.

13. Any dispute or disputes between the FTE and KSA in or arising out of this agreement would be subject to the jurisdiction of the Civil and Criminal Courts in Bangalore, Karnataka.

14. The FTE Contract in this Society is subject to the availability of funds under the Scheme.

Employee Signature
Name: «Emp_Name»

SRP/District In-charge Signature
Name:

RESOURCE FEE AND OTHER BENEFITS

1. REMMUNERATION: The FTE will be paid a monthly Resource Fee of ₹ «Remuneration»/- («Rem_in_words») towards resource fee along with a provision of not exceeding ₹ «Mobile_Allowance» towards mobile communication services i.e. ,for CUG connection with effect from the date of joining the place of posting. It is further to mention that

over and above the ceiling limit i.e., the excess bills be deducted from the resource fee being paid.

The Resource Fee will be considered for enhancement/ revision from time to time based on the Consumer Price Index (CPI) that may be published in the Gazette of Govt. of Karnataka and as per KSAS norms and the FTE will be entitled to get the Resource Fee accordingly.

The details of the Remuneration components are as given below:

Remuneration details

Name : Mr./Ms. «Emp_Name»

FTE Code : «Code»

Designation : «Designation»

Remuneration Components	Remuneration per month in Rupees	Cost-to-organisation (CTO) per annum in Rupees
Resource Fee	«Remuneration»	«Yry_RF»
Mobile Communication charges	«Mobile_Allowance»	«Yearly_MA»
Internet Allowance	«Net_Allowance»	«Yearly_NA»
Conveyance Allowance	«Field_Allwance»	«Yearly_CA»
GRAND TOTAL	«Total_Rem»	«Yearly»
Deductions		
Professional Tax	«PT»	
Airtel CUG (Charges as above)		
Any other Statutory deductions if any if applicable		
Net Total	«Net_RF»	«Yearly»

A Caution Deposit might be deducted from the Resource Fee based on the total value of material given by KSAS for official purpose.

2. CASUAL LEAVE: The FTE will be provided a facility to avail 30 days (2.5 days per month) of consolidated leave per annum at staggered intervals with prior sanction from the Reporting Officer

3. MATERNITY LEAVE: 180 days to the married women FTE working in Social Audit i.e., All women employees in KSAD office and field staff. The maternity leave applies for two live deliveries only.

Further no Woman shall be entitled to maternity benefit unless she has actually worked for six months immediately preceding the date of her expected delivery. Further she will be able to draw the salary only after she joins into duty and completes 3 months of service in the society and also produces the Medical Certificate with discharge summary details

4. PATERNITY LEAVE: The Male FTE is eligible for paternity leave of 15 days for their new born babies. the leave is provided for the male FTEs for two surviving children only. The Male FTE will be able to draw the salary on production of Medical Certificate with discharge summary details of his/her wife's delivery.

5. Nominee Form: The FTE has to mandatorily nominate one member or more than one member from his/her Family as nominee/nominees, The FTE has to fill the Nominee Form as in Annexure 3.

Employee Signature
Name: «Emp_Name»

SRP/District In-charge Signature
Name:

6. TRAVELLING ALLOWANCES: The FTE will be eligible for TA/DA as per fixed eligibility criteria for his/her level during the audit process as has been specified from time to time by KSAS.

This agreement contains **8 pages** and all the terms and conditions in them are accepted by both the parties.

This Agreement is signed on «Date» upon mutual agreement and comes into effect from «Date» to «Date».

**By the Director,
For Karnataka Social Audit Society (KSAS)**

I have read the terms and conditions. I accept this Fixed Tenure Employment and agree to the same totally and unconditionally without any Prejudice.

Name: Mr./Ms.«Emp_Name»

Signature:

Place: Hyderabad

Date:

Employee Signature

Name: «Emp_Name»

SRP/District In-charge Signature

Name:

Job Chart of Block Resource Persons

***Note-(This job chart will be commonly applicable to BRPs hired by KSAS for facilitating social audit of any Scheme in a financial year)**

1. Will participate in drawing up the monthly schedule of social audits to be facilitated in a district.
2. Will be responsible for identification and training of Village Resource Persons as per KSAS norms to facilitate Social Audits in the respective mandals.
3. Will make all possible efforts to identify women, SC and ST VRPs
4. Mobilizing Wage Seekers/Beneficiaries of the Scheme being audited, i.e MGNREGS/Other Schemes for which KSAS is facilitating social audit.
5. Providing awareness and information regarding the scheme being audited to the beneficiaries, grama-sabha members and other stakeholders.
6. Will be responsible for conducting wall paintings
7. Will stay in Government buildings in the villages/mandal/district during the social audit process and will not accept any hospitality from anyone who is even remotely involved in the implementation of the Scheme.
8. Will be responsible for coordinating the team assigned to him/her and facilitate a free and fair, non-partisan social audit process at the village/Mandal level.
9. Will be responsible for ensuring that the Social Audit report is written and evidence is gathered as per the Auditing Standards. Will also be responsible for ensuring that photo copies of evidences gathered from the records and evidences gathered from the stakeholders is done by due process during the Social Audit process.
10. Will be responsible for presenting the social audit reports in the public hearing without any dilution of facts and state the facts as has been communicated by the stake holders.
11. Will be responsible for submitting the final social audit reports as well as decision taken formats to the District Administration as well as KSAS after the completion of the S.A process, grama-sabha and the public hearing.
12. Will participate in trainings imparted to them as part of their overall development and growth as BRPs.
13. Will intimate his/her movements to the immediate authorities i.e., SRP/ District Monitor and DRP and remain in regular contact.
14. Will be responsible for on-site data entry of the Social Audit report of the Gram Panchayat(s) audited.
15. Will follow the Non-Negotiable norms of KSAS.
16. Will be responsible for training and empowering the VRPs to carry forward the concept of Social Audit.
17. **Will act with utmost professionalism and not compromise on any of the norms laid down in the Code of Conduct as mentioned in contract.**
18. Any other work that is entrusted by the Director KSAS

Employee Signature
Name: «Emp_Name»

SRP/ District In-charge Signature
Name:

Annexure - III

NOMINATION FOR BENEFITS & OTHERS**Karnataka Social Audit Society (KSAS)**

The FTE has to nominate one member or more than one member thereof.

I hereby nominate the person(s) mentioned below, who is/are member(s) of family and confer on her/him/them the right to receive the benefits and others in the event of anything happens while in Service

Name & Address of nominee (or) nominees	Relation-ship with Fixed Term Employee	Age	Share to be Paid to each (in % age) (Total to be 100%)	Contingencies on the happenings of which the nomination shall become invalid	Name, Address & relationship of the person if any to the rights of the nominee shall pass in the event of his/her predeceasing the Fixed Term Employee.
(1)	(2)	(3)	(4)	(5)	(6)

Dated this _____ at _____.

Signatures of two witnesses with addresses.

1) Signature :

Full Name & Code :

Address :

:

2) Signature :

Full Name & Code :

Address :

:

Signature of the Fixed Term Employee

: «Emp_Name»

Full
Name

Full Emp Code : «Code»

:

Address

.....

N.B.: - The Employee should draw line across the blank space below his/her last entry to prevent insertion of any names after he/she has signed.

Employee Signature
Name: «Emp_Name»

SRP/ District In-charge Signature
Name:

Selection criteria of Sr. VRPs for KSAD

Sub: Sr. Village resource person: (utilising the services of Sr. VRPs as social audit facilitators to assist the BRPs)

1) Selection

I. Sr. VRP

- a. The Sr. VRP shall complete at least 20 social audit cycles or 3 years of service as VRP whichever is earlier with minimum educational qualification of intermediate. However, relaxation shall be given to female and SC/ST candidates who are 10th pass or inter fail, * One audit cycle is 28 days (*Ref. Bihar HR manual, VRP grading, pg no 58*)
- b. The minimum age of Sr. VRPs shall be 21 years and maximum age shall be 45 years. Preference will be given to women to get a minimum representation of 33% at least if not more.

II. Selection of New VRP

Selection is a continuous process and the existing selection norms shall be followed for identification of new VRPs at the time of facilitation of Social Audits. The existing norms are detailed below.

- a) Literate youth both Female and Male candidates belonging to wage seekers/beneficiary families shall be selected as VRPs.
- b) The minimum age of the VRP shall be 18 years and maximum age shall be 45 years. Preference shall be given to Women to get a minimum representation of 33 % at least if not more.
- c) They shall not belong to any Political Party or any Political Wing and they should not be relative of any local political party activists/leader.
- d) They should not be relative of staff of implementation wing of MGNREGS , Grama Sarpanch and Ward Member.
- e) They should not be Mate, local Contractor, Journalists, and Postal Employee.
- f) They should have to be complete by neutrally / impartial in nature and willing to participate in the Social Audit Process Voluntarily.

2) Training Sr. VRPs

- I. After selection of Sr. VRPs, Four days training shall be conducted as per the guidelines issued by the MoRD for SHG VRP training program
- II. After successful completion of the training, the performance assessment shall be done and their performance grades (ex- A, B, C) shall be indicated in writing,
- III. The database of the trained VRPs along with the grades assigned to them shall be maintained by KSAD.

3) Allotment of the Sr. VRPs

- I. After successful completion of the 4 days training (non-negotiable), the service of the Sr. VRPs, whose performance is either A or B grade can be utilised as Sr.VRPs in the social audit process,

- II. The selected Sr. VRPs, who have already completed 20 audit cycles earlier, shall attend one social audit as trainee before allotment as Sr. VRP. other VRPs who have not completed 20 audit cycles earlier, have to attend the requisite number of social audit to cover the shortfall before allotment,
- III. The name of Sr. VRPs shall be enlisted in KSAD database and Sr. VRP codes will be generated and allotted to them for monitoring and ensuring payment of honorarium, capturing attendance and work done reports etc;
- IV. After completion of requisite audits as a trainee, the concerned SRP shall submit their performance report to KSAD office along with feedback given by the respective BRP and DPR of the cluster for further allotment as Sr. VRP;
- V. Sr. VRPs shall be allotted to his/her native districts only. However, in specific instances, with the prior approval of the director, they may be deputed to work in districts other than the native district;
- VI. Sr. VRP should not be permitted to facilitate audit in his/her own Gram Panchayat and Mandal
- VII. Services of only those Sr. VRPs who have been identified, trained, and listed in the KSAD database can be utilized in any district as a Sr. VRP and paid the honorarium that has been mentioned in this circular. The same will not apply to any other VRP even if they have completed 20 audit cycles or 3 year as VRP
- VIII. The Sr. VRPs shall sign an undertaking at the time of allotment/audit that all the norms of social audit and non-negotiables of KSAD shall be followed by him/her in the process of SA facilitation and they will be held responsible for any deviation;

4) Roles and responsibilities of Sr. VRPs

- I. The Sr. VRP shall facilitate the following social audit processes such as record verification, door-to-door verification of MGNREGS/ bund plantation/ non-technical work/verification work (wage component work), conduct of ward sabhas along with the VRPs and under the strict supervision of BRP/DRP. All the technical work shall be measured by BRP/DRP only;
- II. M-sheet recording and calculations shall be done by the BRP along with the Sr. VRP at the worksite and both of them will sign the sheets;
- III. Evidence collection shall be done by the Sr. VRP and the BRP.

5) Roles and Responsibilities of BRPs

- I. The responsibility of conduct of Gram Sabha and the preparation of the Gram Panchayat Social Audit report is vested with the BRP and shall not be given to the Sr. VRPs;
- II. The DRP shall be responsible for ensuring that the Sr. VRPs get sufficient support and guidance from the BRP. He/she shall monitor the tasks allotted to the Sr. VRPs closely and guide the Sr. VRPs during the audit process ;

- III. The overall responsibility of the social audit process in the Gram Panchayat lies with the BRP and DRP. The Sr. VRPs are being allotted to support and help in sharing the work load of a BRP, however, the BRP and DRP cannot leave the Sr. VRP to facilitate the social audit process independently without the support or guidance ;
- IV. The attendance and work done report of the Sr. VRPs shall be submitted to the State Office by the concerned BRP or DRP through the HRMS soon after completion of Social Audit of a particular Mandal duly certified by the concerned Regional programme coordinator. The same attendance and work done report of the Sr. VRPs shall be considered for reckoning the eligible DA, TA, and Honorarium payable to the Sr. VRP.

6) Payment norms

- I. The Sr. VRP honorarium shall be paid after fulfilment of criteria of Sr. VRP i.e., completion of 4 day training and required audits as a trainee
- II. The Sr. VRP attendance shall be duly submitted by the concerned BRP forwarded by the DRP and certified by the regional programme coordinator;
- III. The Sr. VRP attendance and work done report shall be sent to HR section after the completion of last gram sabha or 2 day before the PH by BRP/DRP duly certified by the concerned the regional programme coordinator for processing of payment to Sr. VRP towards honorarium/DA/TA. Etc;
- IV. The Sr. VRP honorarium shall be processed centrally at KSAD office and the same shall be transferred to their individual accounts;
- V. Sr. VRP honorarium for a day is fixed - Rs. 350/- +Rs. 175/- DA per day including TA within the district (one time To & Fro). Total payable Rs.525 ____/- per day for Audit which includes:
 - a. Reporting day, b) Audit day (including PH), c) xerox and data entry as per requirement
- VI. Out of total amount payable to Sr. VRPs
 - a. Rs. ____ /- shall be paid to Sr. VRPs towards DA/ Food allowance from the mandal level expenditure at respective mandal;
 - b. Rs. ____ /- shall be paid to Sr. VRPs towards honorarium and TA within district after completion of social audit and paid directly from KSAD office on the basis of work done report etc.;
 - c. If the Sr. VRP allotted to district other than their native district, the actual TA from his native district shall be paid at mandal level only;
 - d. The TA within mandal payable to Sr. VRPs shall be paid at mandal level as per existing norms,
- VII. VRP honorarium for a day is fixed Rs. ____/- + Rs.175/- DA per day including TA within the mandal (one time to and fro) total Rs. 425/- per day for audit; entire amount will be paid at eh field level, which includes
 - a. Reporting day, b) audit day (including PH) and, c) Xerox and data entry days as per requirement

VIII. As per the existing norms, the local conveyance to the tune of actual fare within the mandal shall be paid for Sr. VRPs and VRPs

7) Non - Negotiables

Regional programme coordinator / DRPS / BRPs shall ensure that all the non - negotiables of KSAD followed by the Sr. VRPS / VRPs and any violation or deviation should be reported to the State office immediately in writing. If any Sr. VRP / VRP , BRP , DRP or Regional programme coordinator, SRP found to be violating the social audit non - negotiables, stringent disciplinary action against the concerned Resource Persons be initiated and in the case of Sr. VRPs , they shall be blacklisted.

8) Responsibilities of Master Trainers (MTs):

- I. After allotment of trained Sr. VRPs and VRPs, the MTS shall monitor the comprehensive performance of VRPS and their attendance/presence in social audit process duly assessing the strengths and weakness of VRPs ;
- II. MTs shall focus on upgrading the skills of the VRPs who have completed one or two audits and shall organise need-based refresher trainings;
- III. MTs shall be responsible for the continuous monitoring, selection, and training of VRPS at cluster level.

9) Assessment of the work done by the Sr. VRPs:

- I. The BRP / DRPs should assess the performance of the Sr. VRPs during every social audit and the same shall be reported to the regional programme coordinator and the SRP in turn shall report the same to the State Office;
- II. If the Sr. VRP needs any support (Technical / Non - technical Report writing / Evidence Collection / conducting ward sabhas), the BRP and DRP to whom the services of the Sr. VRP has been allotted should coordinate and provide the guidance. The same shall be brought to the notice of the concerned MTs through the Regional programme coordinator and SRP for organising need - based trainings.
- III. If the Sr. VRP needs orientation, the DRP should conduct two days / one day additional training program based on the requirements of the Sr. VRPs through Master Trainer of the CB Wing , KSAD at the allotted Mandal, after due consultation and approval of the Director;
- IV. A database of Sr. VRPs is to be maintained by the HR Section with the support of IT Section and the data is to be updated by the DRP along with remarks on the performance in each audit. The same can be got through an app designed for this purpose during each Social Audit to track attendance and performance of VRPs and Honorarium paid as well as other details.
- V. The overall selection / Identification, training, allotment, assessment and updating of data of Sr. VRPs should be monitored by the concerned regional programme coordinator and

cluster DRP with the support of SRP - CB. Any relaxation/exemption in specific cases are permitted only with the prior approval of the Director based on the specific recommendation of the DRP and SRP.

Therefore, all the Field level functionaries of KSAD shall comply with the above guidelines scrupulously in utilising the services of Sr. VRPs during the upcoming Social Audit schedule.